

KEYSPAN ENERGY DELIVERY NEW ENGLAND
D.T.E. 06-41

FIRST SET OF INFORMATION REQUESTS OF THE
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO
KEYSPAN ENERGY DELIVERY NEW ENGLAND

D.T.E. 1-8

Respondent: Elizabeth D. Arangio

Date of Response: June 27, 2006

- Q. Refer to Exhibit 1, at page 8 (Article V, Section 1). Describe the circumstances under which the Operations Demand Charge ("ODC") would be modified.
- A. The ODC (Operations Demand Charge) is a monthly fee that has been negotiated between NEGM and the ANE II Customer Group. This negotiation was based on specific volumes by each customer as detailed in Table 1. Should the capacity entitlements change between customers -- e.g. a customer may choose to take assignment of another customer's volumes -- then the total ODC payment would be increased for the acquiring customer, reflecting that increase in aliquot share, and the ODC total for the releasing customer would decrease proportionately. As to the specific level of the ODC fee, as stated in Article V, Section 1, the fee could be subject to future renegotiation if written notice is given between October 31, 2010 and January 31, 2011 by any of the parties.